

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE DIRECTOR

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October 6, 2006

Gene Fong, Division Administrator
Federal Highway Administration
California Division
650 Capitol Mall, Suite 4-100
Sacramento, CA 95814

Attention: Mr. Lance Yokota, Civil Rights Manager

Dear Mr. Fong:

Enclosed for your approval is the California Department of Transportation's (Department) Federal Highway Administration Disadvantaged Business Enterprise (DBE) overall goal and methodology for Federal Fiscal Year (FFY) 2007.

The Department is proposing an overall DBE goal of 10.5 percent for the FFY 2007 to be obtained through race-neutral measures. As you know, the Department did not have sufficient evidence of discrimination or its effects as required by the Ninth Circuit Court of Appeal decision to achieve the overall DBE goal through race-conscious measures or a mixed race-conscious/race-neutral goal.

The Department is conducting a disparity study to identify and define the existence and scope of discrimination in California's transportation contracting industry. The results of the disparity study will help the Department to determine what percent of California's statewide DBE goal may be obtained by the use of race conscious measures, such as individual contract goals.

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I look forward to your positive response to this request. If you have any questions, please feel free to contact Olivia Fonseca, Deputy Director, Civil Rights, at (916) 324-0990.

Sincerely,

A handwritten signature in blue ink, appearing to read "Will Kempton", with a long horizontal flourish extending to the right.

WILL KEMPTON
Director

Enclosure

c: Olivia Fonseca

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Director's Office File Copy
Deputy Director's File Copy
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